

RESEARCH RESULTS

An Analysis of the Study's Findings

Dr. Mary B. Young

What We Set Out to Learn

The purpose of this study was to identify and describe what jurisdictions and agencies at the local, state, and federal levels are doing to build their leadership pipeline to ensure an adequate supply of experienced talent for the future.

How We Conducted this Research

As in the first study¹ in this series, we began this research by contacting experts in public-sector human resource management, including associations and organizations, academic researchers, journalists, consultants, prominent practitioners and others. The complete list of sources is provided on page 90. Based on their recommendations, we interviewed approximately 35 jurisdictions to learn about their approach to building the leadership pipeline. We selected 15 to become case studies. Again, further information about our selection criteria and research methods is presented on page 17.

While we delved deepest into the practices of the 15 case-study organizations, the following analysis is grounded in all the data we collected: a literature review of leadership development and succession planning in private and public-

sector organizations; the interviews with expert sources; the initial interviews with 35 jurisdictions; and the case studies. This broad survey of current practices allowed us to construct the big picture of leadership-pipeline-building, which we describe in the next section. Following this high-level analysis of the approaches we encountered, we will take a closer look at specific practices and discuss common themes, significant differences, and important issues that the study identified.

Building the Leadership Pipeline: Two Models

Looking at the data from a high-altitude perspective, two different models emerge. The more traditional and typical one we call the Just-in-Time Approach to building the leadership pipeline. The other we call the Integrated Approach.

The Just-in-Time Approach to Building the Leadership Pipeline

In the Just-in-Time model, building the leadership pipeline is one of many talent-management practices, but it is separate from them. In the exhibit, we show the leadership pipeline is “off to the side.” At minimum, building the pipeline may entail a formal leadership development program(s), and possibly succession planning and a competency model. But the pipeline is disconnected from other efforts, such as recruitment for the workforce as a whole, retention, and performance management.

The Just-in-Time Approach



¹ Young, Mary (2003) *The Aging-and-Retiring Government Workforce: How Serious Is the Challenge? What Are Jurisdictions Doing About It?* ©The Center for Organizational Research, a division of Linkage, Inc. Lexington, MA. Executive Summary and Final Report available at <http://www.cps.ca.gov/AboutUs/agebubble.asp>

One reason that the leadership pipeline is off on its own in this model is that it focuses on a narrow segment of the workforce, such as middle-managers who might be promoted, high-potential candidates, or new leaders. As a result, the leadership pipeline is short and relatively narrow, since it has been built for limited capacity.

Leaders are developed just-in-time, right before they move into leadership positions or soon afterward. That makes leadership development something like a special inoculation that travelers receive just before they embark for some new, foreign territory, but that the population-at-large will never need.

The Just-in-Time approach to developing leaders may have worked in the past. With limited training budgets, organizations targeted formal leadership development programs to meet their most pressing needs. With baby boomers swelling the workforce, employers could count on a large pool of candidates for future leadership positions and a longer lead time. Natural selection could run its course. Managers typically had fewer direct reports than is true today, which gave them more time to coach and develop their staff. And there was more continuity at the top of the organization, since retirements happened here and there, rather than hitting full-force as a concentrated wave. Knowledge could be passed on in an orderly fashion from one generation to the next, with plenty of seasoned leaders on hand to provide wisdom and preserve institutional memory.

We know that those conditions are rapidly disappearing. In most jurisdictions and agencies, the majority of managers and leaders will be retirement eligible within the next five years, if not already. Their inevitable departure creates a new urgency to develop potential successors, often on a faster track and with a shorter learning curve than ever before. In many organizations, the potential pool will be smaller than in the past. And those who are promoted will themselves create a backwash of replacement needs, as will their successors and their successors' successors.

Under these conditions, the Just-in-Time Approach to building the leadership pipeline will be pitifully inadequate. The very idea of just-in-time will become a recipe for disaster. A short, narrow pipeline, set off to the side, can't possibly meet the new demand.

It's not only the impact of retirements that makes the Just-in-Time approach a dangerous anachronism. As a result of the downsizing that many public-sector organizations undertook in the 1990s and the hiring freezes that many enacted post-9/11, managers now have wider spans-of-control than ever before. They have less time than their predecessors did for developing up-and-comers. And, in some organizations we interviewed, current leaders aren't thinking about succession, or seem unconcerned about who will carry on once they retire.

Through our interviews, we learned about other factors that make Just-in-Time leadership development a losing strategy. As a consequence of outsourcing, some jurisdictions and agencies have seen a hollowing-out of the middle-management tier that has shrunk the potential succession pool. It also reduces the organization's internal store of knowledge and expertise that can be passed down to younger workers.

For all these reasons, the Just-in-Time approach to building the leadership pipeline, while it remains widespread, will not be sufficient to meet the demand for experienced leaders that organizations anticipate.

Fortunately, our research also identified a different model better suited to meeting these leadership challenges.

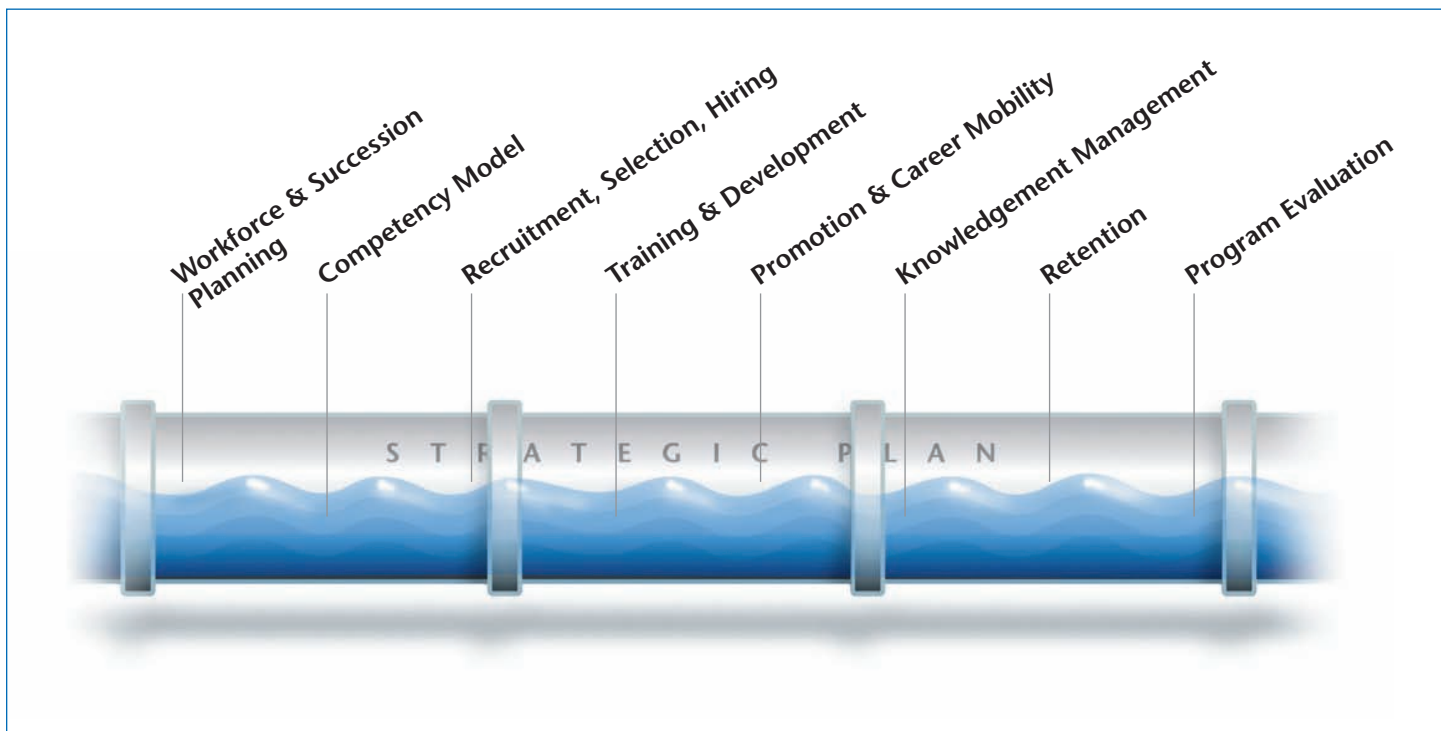
The Integrated Approach to Developing the Leadership Pipeline

In the Integrated Model, any or all of an organization’s talent-management activities may serve to build the leadership pipeline. And because these varied activities are all aligned with the strategic plan—and, in many of the jurisdictions and agencies we interviewed, also aligned with workforce planning and a competency model—they are connected to each other. Unlike the Just-in-Time Model, the Integrated Approach doesn’t focus solely on organizational elites; it addresses the long-term developmental needs of workers at many levels and across the employee lifecycle (that is, from recruitment through retirement).

The Integrated Approach marries efforts to manage the supply, caliber, and competencies of leaders with broader efforts to manage the organization’s human capital. It links these efforts to the organization’s overall strategy and its short-term and long-term planning.

The activities listed at the top of the pipeline are actually broad categories. If this model were presented as a web page, you could click on each category and pull down a menu of tactics. For example, subcategories below Recruitment, Selection, and Hiring might include a competency model, interns, fellows, recruiting for entry-level or mid-level positions, internal promotions and external recruiting, on-boarding, and collecting satisfaction data from recent hires through focus groups or surveys. Within the broader category of Training and Development, competency models would appear again, along with assessments, job-rotation, formal leadership development programs, individual development plans, etc. It’s important to note that the eight categories listed in the exhibit do not provide an exhaustive list of tactics.

The Integrated Approach



Other Research Findings

The two models described above can be thought of as different ends of a continuum. As is often the case, each end serves as an archetype. The 35 public-sector organizations we interviewed can be placed at different points along this continuum, based on their approach to building the leadership pipeline: Which employee segments do their efforts focus on? What tactics are they using? How aligned are these tactics with each other and with some overarching framework?

Having described the study’s findings from this high-level perspective, we now move in for a closer look. Our analysis is organized into five sections:

- Who’s in the leadership pipeline?
- What are the most pressing developmental needs?
- How are these needs being met?
- What is the impact?
- How are efforts to build the leadership pipeline being evaluated?

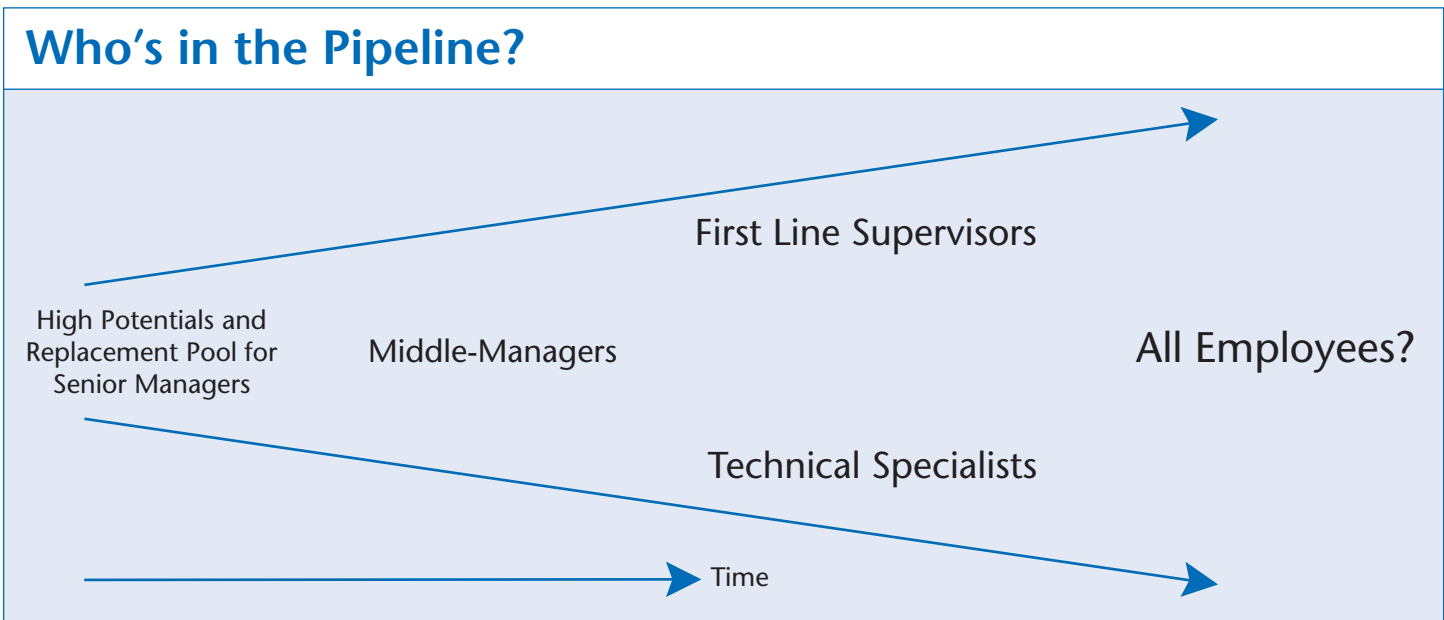
Who’s In the Leadership Pipeline?

In our 2003 study, *The Aging-and-Retiring Government Workforce: How Serious Is the Challenge? What Are Jurisdictions Doing about It?*, we found that many organizations first woke up to the coming retirement wave by looking at the age profile of their senior leadership team. Planning who would replace that group was their immediate concern.

Eventually, however, succession planning broadened into workforce planning; it came to include critical occupations or hard-to-fill job classifications at all levels of the organization. What had begun at the top, then, moved deeper into the organization and expanded, rooting out vulnerabilities and trouble spots, differentiating them from areas where there was less need for concern.

In our current study, we observed a similar pattern related to the leadership pipeline. Many jurisdictions and agencies initially focused on the talent supply for senior management positions. Their earliest efforts were aimed at grooming or hiring people for the top of the house. But when, as is often the case, an organization foresees churn in a substantial percentage of its senior positions, then the second-order impact is immediately apparent. If the majority of your directors will retire within the next three years, you may plan to replace them with your current deputy or associate directors. But who are you readying to replace *them*? Or what if your deputy directors are also getting ready to retire? In nearly every case study that follows, the approaching retirement of senior leaders was an important driver in the organization’s efforts to build its leadership pipeline, but those initial efforts later expanded.

One of the most visible differences between the two approaches to building the leadership pipeline is the size of the pipe. The Integrated Approach requires a significantly longer and larger pipeline because it has to carry greater capacity, not only in terms of the number of people who must be developed, but also their diversity, as shown below.



Organizations that have expanded their leadership pipeline have done so for a variety of reasons:

- **The cascading impact of leadership succession.** The need to fill vacancies at lower levels when incumbents are promoted
- **Demonstrated need.** Assessments may show that the skills and competencies of current supervisors and/or managers fall short.
- **Employee demand.** In many cases, when employees see that more senior people are being developed, they ask for comparable opportunities and the organization implements programs for this next level down.
- **Retention.** Some organizations view career development as a valued component of the “total rewards” employees receive. The opportunity to develop skills and competencies that may lead to future advancement is, for many employees, a motivator and a retention factor.
- **Defining leadership as a competency that employees at all levels are expected to develop and demonstrate.** A number of organizations we interviewed, such as the Coast Guard and the Virginia Beach, Virginia Police Department, have decided to ingrain certain elements of leadership development throughout their organization. By providing everyone with common frameworks and language, they hope to make leadership an ongoing topic of conversation among employees at all levels.

Whatever the rationale, it’s clear that efforts to build the leadership pipeline are expanding to meet the needs of a larger number of employees at multiple levels of the organization. When that happens, the organization may find it needs an organizing framework to map an increasingly complex strategy, specifying levels of leaders, competencies needed, and tactics for achieving them. Anaheim, the Coast Guard, and NASA have each developed such a framework. Not only does it help human resource staff get their arms around multiple efforts, such a framework can also clarify gaps, redundancies, and priorities for future resources, as the Coast Guard case study illustrates.

Developmental Needs: What Do Leaders Need to Learn?

Because this study used qualitative methods, our analysis identifies common themes that we encountered in the interviews, but it cannot quantify the frequency with which we heard them. Nevertheless, some themes emerged clearly and consistently. When discussing future leaders’ most critical developmental needs—that is, the competencies, knowledge and skills that the organization believed are most important to help them acquire—organizations frequently reported three primary needs:

- **Knowledge and understanding outside the employee’s own department or functional area.** In many cases, employees’ previous career experiences haven’t exposed them to other areas of government. As a result, they need to understand what other departments or functions do and how that work is connected to their own.
- **Knowledge and understanding at the enterprise level.** In part, this content area is an aggregation of learning about other departments and functions; it’s about how all the pieces fit together. In addition, it’s about work at the executive-level: the tasks, functions, and challenges that are important at the levels above departments or agencies, including knowledge and understanding of the organization’s relationship to its broader environment.
- **A broad network of relationships.** Knowledge and understanding are important, but they do not assure a leader’s effectiveness. The third critical area in which organizations need to help leaders develop is in building a broad network of relationships: across departments and functions; at many levels; and in the organization’s wider environment. In studying the components of many formal leadership development programs described in this report, the prominence given to relationship-building and relationship-maintenance is striking.

It’s important to note why these developmental needs were thought to be so critical for public-sector organizations to help future leaders develop. It’s not simply that they are prerequisites to effective performance; it’s that employees may not be able to develop them on their own. The clear message that emerged across all levels of government is that the organization must intervene deliberately to foster development in these areas.

All three of these priorities are related to boundary-spanning: to stretching employees’ knowledge, understanding, and working relationships and to exposing them to people and aspects of the organization outside their current sphere. These objectives have important implications for how organizations go about developing leaders, as discussed below.

In addition to these three kinds of knowledge and understanding, many jurisdictions and agencies reported specific skills that leaders or managers typically need to develop:

- Getting things done in government or in this organization/jurisdiction
- Managing change
- Managing conflict
- Managing the public
- Managing the media

To a more limited extent, some jurisdictions and agencies mentioned other, more basic supervisory skills that even some experienced managers need to develop:

- Managing employees, including influencing, motivating, developing, and retaining
- Dealing with civil service and personnel policies